



City of San Antonio
FY20 EPA Brownfields Revolving Loan Fund Grant
Narrative Information Sheet

1. Applicant Identification

City of San Antonio
Center City Development & Operations Office
PO Box 839966
San Antonio, Texas 78283

2. Funding Requested

- a. Grant Type:** Individual RLF
- b. Federal Funds Requested**
 - i. **Request amount:** \$1,000,000.00
 - ii. **Cost Share Waiver:** Not Applicable
- c. Contamination:** Hazardous Substances (\$700,000) and Petroleum (\$300,000)

3. Location

- a. City:** San Antonio
- b. County:** Bexar
- c. State:** Texas

4. Property Information for Site-Specific Applications: Not Applicable

5. Contacts

a. Project Director

Name: Karla Campos
Phone: (210) 207-4081
Email: ccdo.brownfields@sanantonio.gov
Mailing Address:
City of San Antonio
Center City Development & Operations Department
PO Box 839966
San Antonio, Texas 78283

b. Chief Executive/Highest Ranking Elected Official

Name: Mayor Ron Nirenberg

Phone: 210-207-7107

Email: ron.nirenberg@sanantonio.gov

Mailing Address:

City of San Antonio

115 Plaza de Armas, 2nd Floor

San Antonio, Texas 78205

6. Population

San Antonio's population is 1.53 million people.

7. Other Factors Checklist

Other Factors	Page #
Community Population is 10,000 or less	
The applicant is, or will assist, a federally recognized Indian Tribe or United States territory.	
The priority brownfields site is impacted by mine-scarred land.	
The priority site is adjacent to a body of water (the border of the priority site is contiguous or partially contiguous to the body of water, or would be but for a street, road or other public thoroughfare separating them).	2
The priority site is in a federally designated floodplain.	
The reuse of the priority site will facilitate renewable energy from wind, solar or geothermal energy; or will incorporate energy efficiency measures.	2,3,4

8. Letter from the State or Tribal Environmental Authority

Please see attached letter from the Texas Commission on Environmental acknowledging the City's plan to conduct RLF activities and plan to apply for FY20 federal brownfields grant funds.

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 1, 2019

Mr. John Jacks, Director
City of San Antonio
100 W. Houston St., 19th Floor
San Antonio, Texas 78205

Re: City of San Antonio's Proposals for a U.S. Environmental Protection Agency FY20 Revolving Loan Fund (RLF) Grant

Dear Mr. Jacks:

The Texas Commission on Environmental Quality (TCEQ) is pleased to offer this letter of support for the City of San Antonio's proposals to the U.S. EPA for a FY20 Brownfields RLF Grant. The TCEQ believes that the grant will significantly benefit the city by enhancing the local economy, increasing the tax base and improving the environment.

The TCEQ looks forward to working with the City of San Antonio on its Brownfields initiative and supports the grant application. You may contact me at 512-239-2252 or Kristian.livingston@tceq.texas.gov if you have any questions or if you would like additional information.

Sincerely,

A handwritten signature in blue ink that reads "K.M. Livingston".

Kristy Mauricio Livingston
Brownfields Program Manager
Remediation Division

KL/cw

cc: Ms. Mary Kemp, EPA Region 6, Brownfields Team, kemp.mary@epa.gov
Ms. Denise Williams, EPA Region 6, Brownfields Team, williams.denise@epa.gov



1. **PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION**

a. **Target Area and Brownfields**

i. **Background and Description of Target Area**

Steeped in 300-year old Spanish mission history and recently advancing into the seventh most populous city in the United States, San Antonio, Texas is woven from dynamic urban neighborhoods with diverse populations and strong historic heritage that have long struggled amidst San Antonio's overall prosperity and growth. With more than 1.5 million residents (*American Community Survey, 2018*) and covering approximately 465 square miles in south-central Texas, San Antonio (the City) has been the fastest growing of the top ten largest cities in the country over the last two decades (*US Census*). This growth draws a sharp contrast to many of the downtown districts and neediest urban communities across the City that have not experienced the same opportunities for affordable housing and revitalization.

The Target Areas for this Revolving Loan Fund (RLF) Grant application are the San Antonio Neighborhood Improvement Areas (*San Antonio Urban Renewal Plan, 2017*) and Center City/Greater Downtown Area (*Center City Strategic Implementation Plan, 2012*). These San Antonio Neighborhood Target Areas (SA Neighborhood TAs or TAs) consist of 13 unique and defined communities across the City, selected through a robust community planning process. **Each of the TAs are largely minority (most above 90% minority, *US Census 2017*) and often represent the historic cultural centers of the Latino and African-American communities in San Antonio.** Each TA has statutorily-defined characteristics of blight and distressed properties, which the San Antonio City Council designated by resolution as appropriate for urban renewal and revitalization. Consistent with hundreds of years of commercial and industrial history, these areas are defined by their dilapidated structures, vacant land, aging industrial and commercial complexes, unsafe residential units, rail lines, and delayed infrastructure improvements. The heavy industrial and commercial land use has left immense environmental uncertainties and expenses related to cleanup and redevelopment.

Through multiple planning efforts, the City has identified redevelopment potential and incentives within the TAs, with the goal to: “eradicate distressed conditions in neighborhoods, increase workforce and affordable housing opportunities, preserve affordability of existing neighborhoods and provide opportunities for neighborhood-serving mixed-use development”, specifically, without displacing the local community.

Despite continued progress and committed resources, the TAs remain some of the City's most blighted communities with immense environmental justice challenges. San Antonio seeks funding to capitalize a Revolving Loan Fund to cleanup brownfields sites and subsequently provide affordable housing for these historically challenged urban neighborhoods. With community-supported, prioritized and shovel-ready projects, capitalizing this Revolving Loan Fund (RLF) will help transform and stabilize neighborhoods and benefit residents for generations to come.

ii. **Description of the Priority Brownfields**

The TAs consist of established Neighborhood Improvement Areas across the City with priority sites for each area documented in the *Urban Renewal Plan*. Additionally, the City Center Area is a continued focus for redevelopment efforts related to downtown. There are priority sites identified for each TA as shown on the table below (not all TAs and priority sites shown, due to grant page limit). Each of these areas are prioritized both for their environmental challenges and their potential to create the desired area-specific catalytic redevelopment.



Priority Brownfields Sites in Each SA Neighborhood Target Areas

Area & Total Acreage	Priority Sites	Environmental Challenges/Opportunities
Near West-Five Points 315 acres	Scobey Complex, Vacant property near Fox Tech High School and historic Cattleman Square	Old transportation and logistics hub, historic hazardous materials and/or petroleum uses, ACM and LBP in structures. Environmental assessment currently underway. <i>Targeted for transit oriented development, mixed-use and residential.</i>
West Side 200 acres	Commercial parcels along El Paso between Brazos and Richter	Abandoned commercial sites, historic hazardous and petroleum uses, ACM and LBP. <i>Targeted for multi-family residential.</i>
Near East 670 acres	Merchants and Friedrich Buildings	Abandoned ice and cooling and air conditioner manufacturing, potential hazardous materials or petroleum uses, ACM and LBP. <i>Planned for mixed-use and infill residential.</i>
Edgewood 40 acres	Vacant Multi-Family Housing Unit on Castroville Road	ACM and LBP building materials and off-site contaminants from industry. <i>Access to transit, planned for infill single family residential.</i>
Roosevelt-Mission Reach 65 acres	Abandoned structures near Gilbert Elementary School	Old industrial and commercial parcels, hazardous and petroleum uses, vacant filling stations, ACM and LBP. <i>Targeted for high-density residential and mixed-use.</i>
Southeast 450 acres	Southeast Service Center	Industrial center, potential for hazardous and petroleum constituents. <i>High-density housing with a focus on walkability and transit connectivity.</i>
Greater Downtown Area (GDA) 545 acres	Former Lone Star Brewery Lone Star Boulevard	Former brewery and bottling/canning facility. ACM and LBP, underground storage tanks, heavy metals. Previous Environmental Assessments available. <i>Proximity to river, large acreage site, planned for mixed-use.</i>

Notes: ACM- Asbestos-Containing Materials, LBP- Lead-Based Paint

b. Revitalization of the Target Area

i. Reuse Strategy and Alignment with Revitalization Plans

The City has recently undertaken multiple planning efforts, focused on disadvantaged and sensitive core communities, sustainability and implementation strategies. The TAs and priority sites with specific reuse plans shown above are key to the City's commitment for urban revitalization that is inclusive and transformative for existing communities. The following plans link directly to the TAs discussed in this application and provide a framework for prioritization and reuse strategies focused on affordable housing and mixed-use development that strengthen neighborhoods:

- The Urban Renewal Plan (2017) – Establishes twelve Neighborhood Improvement Areas (TAs). The plan explains the need for environmental assessment, reinvestment in distressed properties, priority sites/parcels, and lays out the vision and funding opportunities for new development. The City also established the Neighborhood Improvements Bond to fund infrastructure, land acquisition and public private partnerships.

- Center City Strategic Framework Plan (2012)- Provides a critical road map for future activity by the City and non-profit partners that focuses on building new housing downtown, infrastructure and parks, improved streets, mass transit, and enhanced cultural institutions; locations are identified where growth would provide the greatest benefit for the least cost.



-San Antonio Tomorrow Sustainability Plan (2016) - A roadmap for enhancing the community's quality of life and overall resilience while balancing the impact of expected rapid growth. The Sustainability Plan provides targets and implementation strategies for becoming a leader in seven focus areas: climate, energy, transportation and land use, solid waste, natural resources, food systems and green building and infrastructure.

-San Antonio Tomorrow Comprehensive Plan (2015) – Articulates the guiding principles of affordable housing for a wide range of incomes, transportation choice and revitalization of distressed areas that overarch the redevelopment plans for the TAs.

ii. Outcomes and Benefits of Reuse Strategy

Throughout the TAs, affordable housing and infill development are top priorities for reuse. By assessing priority sites and building *into* existing communities, the City intends to use the framework of current redevelopment plans and incentives while strengthening neighborhood connections to existing resources, public space and transportation options. Regionally, San Antonio and Bexar County have 24 Opportunity Zone (OZ) census tracts (characterized as disadvantaged and low-income) that are eligible for tax deferrals and benefits. **More than half of the SA Neighborhood TAs are located within an OZ.** The OZ designation will help to create interest in specific sites and stack economic development incentives. Layered with Brownfields RLF dollars, these programs will spark the catalyst projects our disadvantaged communities want and need.

In 2009, the City adopted building code revisions that included a goal of 'net zero' carbon buildings by 2030, which provides a powerful institutional example of the region's commitment to addressing climate change. The City's Office of Sustainability measures and tracks our progress towards the goals of the SA Sustainability Tomorrow Plan. This office will remain engaged in the brownfields program and in this grant-funded effort to foster sustainable development in the TAs.

c. Strategy for Leveraging Resources

i. Resources Needed for Site Reuse

The City will use brownfields grant funding as part of a multi-layered incentive approach to facilitate redevelopment in the TAs. The *2017 Urban Renewal Plan* included Strategic Criteria that specifically prioritized a neighborhood's ability to leverage state, federal and local incentives for redevelopment. In addition, the Center City Housing Incentive Policy (CCHIP) provides a consistent incentive framework for redevelopment projects. Redevelopment in each SA Neighborhood TA is eligible for:

-Neighborhood Improvement Bond: The San Antonio public approved the City's 2017-2022 Bond Program in 2017. The Program authorizes the City to issue bonds in the amount of \$20 million, to prepare sites for private sector and non-profit development of single-family or multi-family workforce housing construction.

-Low-Income Tax Credit Qualified Census Tract: Properties are eligible for additional points in the State's Low Income Housing Tax Credit program.

-Tax Increment Reinvestment Zone (TIRZ): Public financing mechanism through which the growth in tax increment associated with new development or redevelopment is captured and used to pay costs associated with economic development for the public good. The City anticipates more than \$300 million on generated increment through the various TIRZ districts.

-San Antonio Fee Waiver Program (COSA Fee Waivers): Since December 2018 the program prioritizes projects involving affordable housing, owner-occupied rehabilitation, historic rehabilitation and business development through waivers of city development/impact fees up to \$1 million per project.



-Tax Reimbursement Grants: Provide annual rebates on local taxes on the improved value of the property after redevelopment.

-Infrastructure Grants: Provides funds for necessary infrastructure improvements (up to \$500k). The City will also continue to work with other funding partners to leverage Community Development Block Grants, targeted brownfields assessments, sustainability resources, affordable housing incentives, historic tax credits and private investment.

ii. Use of Existing Infrastructure

Inside the TAs, sufficient infrastructure exists, including transportation, utilities, and community services that can be repurposed to support the desired infill development and adaptive reuse opportunities. In neighborhoods where infrastructure is old or deficient, there is identified funding through the Neighborhood Improvement Bond to provide replacement or repairs. The City has one of the most progressive Unified Development Codes in the country with alternative use patterns such as mixed use traditional neighborhood development, transit-oriented development, infill development, commercial retrofits and Form Based Development.

2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT

a. Community Need

i. The Community's Need for Funding

The SA Neighborhood TAs represent some of the most impoverished, sensitive populations in the City, reflecting concentrated areas of poverty that result from dramatic lack of wealth equality in San Antonio. The concentration of distressed properties and blighted conditions of these TAs make them a challenge for traditional investment and attracting a developer able to account for unaddressed environmental concerns inherent in these properties is difficult.

The City's Brownfields Program has aggressively pursued outside funding through previous EPA Grants and an active partnership with the Texas Commission on Environmental Quality (TCEQ). In the past, the City has received grant funding and targeted brownfield site assessments. However, the statewide budget for TCEQ's program is limited and does not include a RLF.

The funding situation for brownfields has reached a critical point for San Antonio. The 2019 Budget cycle saw multiple revenue sources to the general fund reduce or become unavailable based on state legislative decisions. All City Departments are increasingly working with reduced staff and reduced budgets. While the City Council remains committed to the brownfields program and staff funding for program deliverables, and specifically environmental cleanups, is limited and does not come close to meeting needs.

ii. Threats to Sensitive Populations

(1) Health or Welfare of Sensitive Populations- Across the TAs, minorities commonly account for more than 93% of the population with more than 15% of the population linguistically isolated (*EPA EJ Screen*). Children under the age of five are 10% of the population in the TA census tracts, a higher percentage than the state and national percentages for young children (*EPA EJ Screen*). Poverty rates across the TAs range from 19.1% in the Pearsall Area to 66.1% in the Roosevelt Mission Reach Area. In the Westside Area nearly 60% of children live in poverty (*US Census*). Adults over the age of 64 make up nearly 15% of the population in the TAs (*EPA EJ Screen*). In addition, the majority of the population, 63% of the TA's, are considered low-income compared to 33% of the population nationally (*EPA EJ*



Screen). These sensitive populations are routinely impacted by a lack of services and employment opportunities, infrastructure, blight and regional environmental issues.

(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions-The impact of brownfields and cumulative environmental factors is readily apparent in the prevalence of disease and illness in the community. Assessing health outcomes and access to health care, grocery stores, parks and various other community health factors, Dignity Health generates a Community Need Index score for counties across the country. Based on these factors, the City ranked among the neediest, with an index score of 4.2 of 5. The frequency of brownfields in the TAs contributes to asthma health risks by promoting sprawl and inhibiting infill development which increases reliance on cars. State health data show that compared to other Texas cities, San Antonio has a relatively high rate of children getting sent to hospitals or urgent-care clinics due to asthma attacks. In 2015, 14.7 out of 10,000 children ages 17 or under were hospitalized for asthma (Texas average of 8.3 per 10,000).

According to the Center for Disease Control and Prevention (CDC) health data, the TAs' diabetes rate are as high as (21.5%), cancer rates as high as (6.3%), incidence of high blood pressure range from (30.2% to 47.7%) and the heart disease rates as high as (10.3%) are all notably higher than both the county and national averages. This could be exacerbated by exposure to contaminated properties, or through contamination of groundwater or surface runoff from brownfields into surface waters.

(3) Disproportionately Impacted Populations- The TA communities have a disparate amount of environmental challenges compared to the region as a whole and measured against challenges throughout the US. The impacts range from traffic proximity and lead paint exposure to contaminated sites and widespread groundwater impacts. The EPA Environmental Justice (EJ) screening tool combines environmental and demographic indicators to create EJ index categories. The tool then compares these categories across geographic regions (**higher percentile indicates a greater EJ impact for sensitive populations**). The population in the TA communities are among the most vulnerable in the country for exposure to environmental risk indicators affecting EJ populations (above 70th Percentile, across nearly all categories).

US EPA Environmental Justice Screen - <https://ejscreen.epa.gov/>

Environmental Justice Index Categories	TAs vs. US (percentile)
Traffic Proximity and Volume (count of vehicles a day divided by distance)	92nd
Lead Paint Indicator	94th
Superfund Proximity (count of NPL sites divided by distance)	91st
RMP Proximity (count of facilities with Risk Management Plans divided by distance)	90th
Hazardous Waste Proximity (count of storage, disposal hauler of hazardous waste divided by distance)	88th
Water Discharge Proximity (count of major direct water dischargers divided by distance)	96th

As is indicated by the EJ Screen, many of the Target Area residents live close to current or former industrial operations or hazardous waste storage/disposers. The disadvantaged communities within the TAs rank amongst the highest in the country for proximity to traffic and lead paint indicators,



directly linking their risk to environmental factors to the aging housing stock and industrial legacy of the region.

b. Community Engagement

i. Project Partners (see table below)

ii. Project Partner Roles

The City currently partners with various government and public agencies to foster redevelopment, incentivize sustainable infrastructure development, solve environmental challenges and strengthen urban neighborhoods. San Antonio prides itself on the transformative community groups that consistently collaborate with the City to improve the health and vitality of residents and environment. These representative neighborhood investment associations, non-profits and private sector partners have a vested interest in the Target Areas' renewal and sustainable growth.

Brownfields Program Partners

Partner Name	Point of Contact	Specific Role
SA Housing Authority	Lorraine Robles, Director of Development Services and Neighborhood Revitalization 210-389-4834 Lorraine_robles@saha.org	Lead partner on initiatives/loan programs to revitalize urban neighborhoods. Partnership will increase economic activity, leverage private investment and increase affordable housing options.
Alamo Community Group	Jennifer Gonzalez, Executive Director 210-731-8025 jgonzalez@alamocommunitygroup.org	Affordable housing development and educational partner. Inform priority sites, provide information to community.
SA for Growth on the Eastside- SAGE	Tuesdae Knight, President/ CEO 210-248-9178 tknight@sagesanantonio.org	Provides below market rate business loans and grants for façade improvements. Will help inform priority sites, provide information and leveraged funding for redevelopment.
Westside Development Corp.	Leonard Rodriguez, President/ CEO 210-501-0192 leonard@westsidedevcorp.com	Provides development financing, researches and marketing. Will help prioritize grant funded sites, market sites for redevelopment and invest directly into brownfields sites.
Southside First Economic Development Council	Judith A. Canales, Executive Director 210-533-1600 Judith@southsa.org	Will provide input and needs assessment from the Southside. Facilitates market studies, technical support, land banking and provides redevelopment incentives.
SA Housing Trust	Pedro Alanis, Interim Exec. Director 210-735-2772 Pedro.alanis@saht.org	Assist in financing and implementing programs that provide low and moderate income housing.
Esperanza Peace and Justice Center	Susana Segura, Project Development Coordinator 210-228-0201 susanasegura@hotmail.com	Esperanza focuses on cultural diversity and justice issues. Will partner with the City for preservation projects which seek to increase awareness of historic preservation issues in the Westside.

iii. Incorporating Community Input



The City recognizes it is essential to include community residents and stakeholders throughout project planning and implementation. A Community Involvement Plan (CIP) will be developed to formalize, plan and implement brownfields activities. And each loan applicant will create a Community Relations Plan. Our local business community is active with residents having extensive past involvement as neighborhood associations and non-profits working on economic development, environmental challenges, affordable housing, cultural diversity, equity and health.

We will continue a bilingual promotional campaign using community newsletters, City and partner websites, and electronic mail to share information with key community leaders and citizens about meetings, proposed actions and solicitations of public input for the Brownfields Program. The City also has an online platform, **SA Speak Up**, to receive input and respond to suggestions.

A Spanish-speaking interpreter will be provided by the City at all community outreach events, and sites for all meetings will be ADA-accessible. All literature, website and inquiry response information will be provided in bilingual format for both English and Spanish speaking community members.

3. TASK DESCRIPTIONS, COST ESTIMATES AND MEASURING PROGRESS

a. Program Description and Marketing Strategy

i. Program Management

-Structure and Maintain a Competent Program Team: Our current City-staffed team, consists of a full-time Program Manager; Fund/Grant Manager; Fiscal Administrator, and Compliance Team. This program team is well-versed in commercial lending and incentives through CCDO. We will procure the professional services of a Qualified Environmental Professional (QEP) correctly according to **2 CFR 200.317 through 326**. Financial underwriting services will be provided at no cost by the CCDO Program Team. Our team has the skills, knowledge and experience to implement the entire scope of RLF activities, including grant and loan fund management. Team members will work closely to ensure sound financial and project management, and oversee cleanup activities and meet as frequently as necessary to establish and manage the RLF. Section 4 describes the team's roles and experience in detail and outlines our plan for staff turnover.

-Selection of Borrowers/Projects: We intend to disburse the first loan within six months of award to one of the priority sites discussed previously in the grant application. Site owners will be required to provide a Phase I ESA, and Phase II ESA, or asbestos, lead-based paint or mold survey, depending on the contaminant. Applicants must demonstrate that they are able to leverage additional public or private funds.

Our top priorities for selection are: affordable/workforce housing, mixed income, community use, adaptive reuse, historic rehabilitation, and transit oriented development. Eligible applicants will submit the necessary financial and project information for a thorough review of project capacity to ensure success. EPA and TCEQ eligibility determinations will be obtained. Prospective borrowers will come from our EPA-funded Environmental Site Assessments, word of mouth and our continued marketing efforts with developers and other private and nonprofit entities.

-Structure and Administer Loans and Subgrants and Facilitate Financial Underwriting:

Financial underwriting will be performed at no cost by the City, through the CCDO.

The RLF will offer flexible terms and accept a subordinated position to the primary lender. Loan terms are five years, interest-only for first three years, with no prepayment penalty. Interest rates, set at loan closing, will be below-market, currently set at 2% for nonprofit entities; 4% for for-profit entities. Rates will be adjusted to market conditions; loans may be restructured into longer terms, if needed. The



recipients' eligible and allowable expense items, such as cash and in-kind contributions of labor, material and services, will be documented and reported quarterly. To make the deal happen, we may use eligible City expenses and/or General Fund allowance for the Brownfields Program to meet the match. Repayments will be due monthly. Expenses will be reimbursed after they are incurred.

Fiscal project information will be required from borrowers so the underwriter can evaluate revenues, liabilities and associated risks. Underwriting will apply our lending guidelines, including measure of cash flow, collateral coverage, character and capacity ratios to determine borrower financial likelihood to repay the obligation at no charge to the program. Focus will be on current cash flow and character. Consideration will be provided for nonprofits with respect to available collateral.

Close and regular monitoring of the program and borrower performance is central to the overall success of the projects and will enable early identification and resolution of issues. Pre-disbursement monitoring will include staff review of the contractors' invoices and reports to confirm eligible use of funds. Borrowers and subgrantees will be contractually responsible for complying with our City and federal requirements. The City will retain primary control and financial decision-making authority over RLF cleanup activities.

ii. Revolution of the RLF Program

-Incorporation of Reasonable, Prudent Lending Practices: In order to encourage the funds to revolve, repayment and default risk will be determined during our underwriting process. Underwriting will be based upon standards consistent with industry and City best practices developed for other CCDO programs. Once a recommendation from the underwriting team is received, the loan will be referred to a local 3-member City Loan Review Committee, that includes LISC San Antonio, a local community development finance institution. The committee will study each loan packet and recommend or deny funding based upon the project's benefits and consistency with program goals.

-Report Outcomes: The City is committed to reporting outcomes and outputs to EPA as long as program income exists. Our Brownfields Program routinely tracks brownfields redevelopment projects, regardless of funding sources, and will continue to do so with revolved funds and program income.

iii. Marketing Strategy

We understand how important marketing is to the RLF's success.

-Target Applicants: Our target market is affordable housing developers, private developers, and business owners that are working to create equitable development projects in the TAs.

-Pre-Marketing: We are continuously marketing our brownfields program through professional connections and partnerships. Our 2015 EPA Assessment Grant has provided a pool of eligible cleanup properties for the RLF and it is the City's intention to continue to pursue assessment grant funding.

-Continued Marketing: Brownfields Program staff attend regularly scheduled community/neighborhood meetings and present at industry and non-profit partner meetings (realtors, chamber of commerce, housing and community development corporations, development organizations and lending institutions). The Center City Development and Operations (CCDO) department also hosts Infill Development Workshops. This workshop is an opportunity for development professionals to ask questions, learn about available tools, policies, and programs.

b. Description of Tasks/Activities and Outputs

Task/Activity: Marketing and Community Engagement
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i. Project Implementation: The budget for Task 1 includes funds for newspaper advertisement announcing public meetings, printing of marketing and advertising materials, individual project signs for each site, flyers, brochures, displays, posters, educational materials. ***In addition to the federal funds budgeted, the City will contribute:*** Developing and producing RLF marketing materials; coordination with borrowers and community stakeholders; continued marketing to target audience; attending site meetings; assistance with preparation of Community Relations Plans (CRPs), creating each site's information repository, preparation for public meetings; ensuring compliance with the site CRPs.

ii. Anticipated Project Schedule: Ongoing, Years 1 through 5

iii. Task Lead: City

iv. Outputs: Project leads and loan fund applications. Marketing materials.

Task/Activity: Fund Management

i. Project Implementation: ***Travel to the National Brownfields Conference for two staff. (\$2,500 from Haz. and \$2,500 from Petro.)*** Grant/Fund Management will be performed by the City at no cost to the grant. Coordination and submission of required documents during all phases from pre-funding to project close out. Coordination of financial underwriting process; programmatic review; crafting of individualized financing packages; funding of loans and subgrants; formalizing the program's forms, development of templates and procedures for the loan and subgrants. Loan origination tasks include screening applicants for program, legal, and environmental threshold criteria and selecting borrowers. Reporting tasks include quarterly and annual reports, close-out reports and ACRES updating. Portfolio management tasks, review of Davis-Bacon certificates, review of invoices, timely disbursement and collection of funds.

ii. Anticipated Project Schedule: Beginning in 1st Quarter and then on-going

iii. Task Lead: City

iv. Outputs: ACRES entry, up to four processed loan applications and associated loan reporting. Travel to conference.

Task/Activity: Cleanup and Oversight

i. Project Implementation: The budget for Task 3 includes four loans and one subgrant as well as \$70,000 for a QEP for cleanup oversight of the sites. The QEP, contracted according to federal guidelines, will be responsible for cleanup oversight, site visits, and compliance of state and federal regulations; ensure cleanup is complete and documented through a state regulatory program. ***In addition to the federal funds budgeted above, the City will contribute:*** technical assistance to borrowers for preparation of each site's Analysis of Brownfields Cleanup Alternatives (ABCA); overall monitoring of site cleanup's schedules, budgets and activities ensuring only eligible cleanup costs are funded; coordination and compliance with applicable state and federal laws; entering sites into ACRES.

ii. Anticipated Project Schedule: Beginning in 2nd Quarter, Year 1 and then on-going; Years 1-5

iii. Task Lead: City, QEP

iv. Outputs: Up to four loans and one sub-grant and associated requirements (ABCA, ACRES)



c. Cost Estimates

Funding Type	Program Tasks				
	Budget Categories	#1: Marketing and Community Engagement	# 2: Fund Management	#3: Cleanup, Site Oversight	Total
Hazardous Substance Funds	Personnel	-	-	-	-
	Fringe	-	-	-	-
	Travel	-	2,500	-	2,500
	Equipment	-	-	-	-
	Supplies	-	-	-	-
	Contractual	-	-	50,000	50,000
	Other-Loans	-	-	444,500	444,500
	Other-Subgrants	-	-	200,000	200,000
	Other Direct Costs	3,000	-	-	3,000
	Subtotal	3,000	2,500	694,500	700,000
Petroleum Funds	Personnel	-	-	-	-
	Fringe	-	-	-	-
	Travel	-	2,500	-	2,500
	Equipment	-	-	-	-
	Supplies	-	-	-	-
	Contractual	-	-	20,000	20,000
	Other- Loans	-	-	275,500	275,500
	Other-Subgrants	-	-	-	-
	Other-Direct Costs	2,000	-	-	2,000
	Subtotal	2,000	2,500	295,000	300,000
Federal Subtotal		5,000	5,932	990,000	1,000,000
Cost Share		-	-	200,000	200,000
Total Budget		\$ 5,000	\$ 5,000	\$ 1,190,000	\$ 1,200,000

Other: Meeting announcements, Educational materials, Marketing, Outreach Materials (brochures, handouts, project signs)

Task 1, Marketing and Community Engagement: *Other Direct Costs:* Marketing announcement, educational materials, marketing and outreach materials (handouts and project signs). We anticipate \$5,000 total (\$3,000 to Haz. and \$2,000 to Petro.)

Task 2, Fund Management: *Travel:* A total of \$5,000 has been budgeted to this task for two City staff to travel to the National Brownfields Conference. The budgeted amount includes airfare, food and lodging expenses.

Task 3, Cleanup & Site Oversight

Contractual Costs: We anticipate hiring a QEP for cleanup oversight, approximately at accost of \$70,000 total (\$50,000 for Haz. and \$20,000 for Petro.) This assumes four cleanup sites. *Loans:* Approximately four loans ranging from \$500,000 to smaller loans of \$50,000. *Subgrant:* Up to \$200,000 of loan forgiveness to eligible grantees.

d. Measuring Environmental Results

At the conclusion of the five-year grant period, a report reviewing the project will be prepared and transmitted to EPA. The City will track the number of environmental assessments, cleanup plans and



sites that are successfully redeveloped and any mitigation strategies determined to be appropriate during agency coordination.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

a. Programmatic Capability

i. Organizational Structure (see below response, 4.a.ii)

ii. Description of Key Staff

The staff of the City's CCDO Department, where the City's Brownfields Program is housed, has extensive experience in grant management, economic and community development, community planning, community relations, group facilitation, education and environmental planning. The staff also has database and GIS capabilities. The City created a position in March of 2012 to be the full time Brownfields Coordinator, regardless of outside funding. CCDO organizational roles and staff involved in grant implementation are as follows: -*Christopher Lazaro, CCDO Redevelopment Officer*, oversees the CCDO development team, as well as the administration of the Center City Housing Incentive Program (CCHIP), Fee Waiver and the Brownfields Program. He has been with the City since 2014. -*Karla Campos, Brownfields Coordinator*, manages Special Projects pertaining to CCHIP, Fee Waiver and the Brownfields Program. She has been managing the grant implementation, grant administration and outreach for the Brownfields Program since 2018. -*Viengsai Vongchampa, is the CCDO Department's Fiscal Administrator* who assists with the fiscal duties of tax rebates, incentive loans and professional services agreements for the Department including Brownfields assessment grants.

iii. Acquiring Additional Resources

In addition to our in-house staff, the City will utilize highly qualified and experienced environmental consulting firms to provide management assistance and to perform technical work components (Phase I and II ESAs and cleanup planning). This will be contracted to consultants using the City's standard procurement practices and federal procurement requirements. The City has three environmental firms currently contracted by the Brownfields Program.

b. Past Performance and Accomplishments

i. Currently Has or Previously Received an EPA Brownfields Grant

(1) Accomplishments: The City of San Antonio received three previous EPA Brownfields Assessment Grants, in 1999, 2004 and 2015. The City has been successful in managing these grants, entering outputs and outcomes in ACRES and achieving desired results for the community.

- **1999 Brownfields Assessment Pilot Grant** (\$200,000 pilot): The grant resulted in six Phase I ESAs and six Phase II ESAs. Specific highlights include assessment for the Dr. Frank Bryant Health Center and assessment for the Historic Gardens Development, a master-planned, inner city development and a community park, on the City's East Side.
- **2004 Community-Wide Brownfields Assessment Grant** (\$200,000). The grant resulted in five Phase I ESAs and five Phase II ESAs. Project highlights include assessment for the National Association of Latino Arts and Culture on historic Guadalupe Street.
- **2015 Community-Wide Brownfields Assessment Grant** (\$200,000 hazardous, \$200,000 petroleum). The grant has resulted in 12 Phase I ESAs and nine Phase II ESAs. Projects include Phase I and II ESAs for a new multi-family residential development in downtown at the St. Johns Square Property and assessment for the relocation of the RK Group Headquarters (a



local developer and food industry).

(2) Compliance with Grant Requirements: The City has submitted all annual and quarterly reports and maintains consistent communication with our EPA grant project officer. The 1999 and 2004 Brownfields Grants were completely expended. The City requested a three-month extension for the 2004 Community-Wide Assessment Grant in order to execute agreements with property owners to complete two additional projects. The 2015 Assessment Grant is more than 80% expended at the time of this application and will be used in early 2020; an extension was requested to complete a supplemental Phase II ESA investigation and an additional Phase II ESA.

Based on the needs of the community, we formally requested and were approved to expand our 2015 Community-Wide Assessment Grant Target Area boundary. We also worked closely with our Project Officer during a recent City staff transition, to ensure that new staff was able to maintain work flow and comply with programmatic grant requirements. ACRES entry and drawdowns are current and we are in good standing on grant reporting requirements.

Threshold Criteria Documentation

City of San Antonio, TX FY20 Brownfields Revolving Loan Fund Grant

1. Applicant Eligibility

The City of San Antonio (the City), Texas is a general-purpose unit of local government as defined under 40 CFR Part 31.

2. Description of Jurisdiction

The jurisdiction for this RLF Grant will be the city limits of the City of San Antonio.

3. Oversight Structure and Legal Authority to Manage a Revolving Loan Fund

a. Oversight of Cleanups

The City will ensure that the loan recipients or subgrantees, using EPA RLF funding to conduct cleanup activities, will perform the cleanup under the oversight of a formal state remediation program, such as the Texas Commission on Environmental Quality's Voluntary Cleanup Program. We will procure the professional services of a Qualified Environmental Professional (QEP) correctly according to 2 CFR 200.317 through 326. The QEP will work in concert with the state program staff to review the workplans for environmental cleanup, ensure the adequacy of the cleanup activities and oversee cleanups.

b. Legal Opinion from the City's Legal Counsel:

1. See Attachment for the opinion that the City has the authority to access and secure sites in the event of an emergency or default of a loan agreement or non-performance under a subgrant; and
2. See Attachment for the opinion that the City has the authority to make loans and accept payment of fees, interest and principal.

4. Statutory Cost Share

The San Antonio RLF will meet the 20% cost share through multiple mechanisms. In some instances, the City will pass on the required 20% cost share to the borrowers. The contribution will be documented and can be in the form of money, labor, materials or service. The City will ensure that the 20% cost share meets the EPA's definition of eligible and allowable expenses. In the event that an applicant cannot meet the cost share, the City may choose to document our allowable programmatic costs (staff, legal, etc.) as match for the project. The City does also have some available funding through a General Fund allowance of \$100,000 for the Brownfields Program that can be used for the cost share. We are not requesting a cost share waiver.



CITY OF SAN ANTONIO

December 3, 2019

Environmental Protection Agency
Attention: Mr. Paul Johnson
1201 Elm Street, Ste. 1200
Dallas, Texas 75270-2162
Johnson.paul@epa.gov

Re: City of San Antonio Authority to Manage E.P.A. Brownfield Revolving Loan Fund

Dear Mr. Johnson:

I am a Deputy City Attorney with the City of San Antonio, Texas (City). I provide legal advice to the City Council and various City departments including Center City Development & Operations Department (CCDO), the department submitting the application referenced above. I am writing to confirm that the City of San Antonio has the authority to manage brownfield cleanup projects through a revolving loan fund granted by the U.S. Environmental Protection Agency (EPA). Prior to preparing this opinion, I reviewed the related EPA guidelines and program conditions. I also reviewed the City Charter and Code of Ordinances as well as relevant constitutional and statutory provisions and court decisions.

The City has ample authority to enter into and secure brownfield sites in the event of an emergency, default of a loan agreement, or non-performance of a sub-grant agreement. Under Texas Local Government Code Section 217.042, the Texas Legislature has granted cities the authority to prevent and summarily abate nuisances. Further, Chapter 342 of the Texas Health and Safety Code authorizes cities to enter and inspect private property in order to regulate impure or unwholesome matter, including but not limited to hazardous materials. Chapter 342 also authorizes a city to do work to abate the above conditions and to expend funds in doing so. In addition, under Article XI, Section 5 of the Texas Constitution, home rule cities possess the full power of self-government. The City is a home rule city, and consistent with the above constitutional provision, the citizens of San Antonio have adopted a Charter (Charter) that provides in Article I, Section 3, Par. 13(5) that the City has the authority to define and prohibit the maintenance of any nuisance within the corporate limits of the city and within the territory outside of the corporate limits of the city which is within five thousand feet of the said corporate limits, and abate such nuisances by summary proceedings and

OFFICE OF THE CITY ATTORNEY

PO BOX 839966 • SAN ANTONIO, TX 78283-3966 • TEL: 210-207-8940 • FAX: 210-207-4004

provide for the punishment of the authors thereof. Chapter 14 of the City Code of San Antonio, Texas authorizes the City Manager and City staff to regulate unwholesome and unsafe matter on private property and to abate any unsafe or unsanitary condition, including but not limited to the summary abatement of those conditions that present an emergency situation.

The City also has ample authority to hold funds, make loans, and enter into loan agreements and collect repayments with respect to Brownfield cleanup efforts. Article I, Section 3, Par. 1 of the Charter provides that the City may contract and be contracted with, ordain and establish such acts and regulations and ordinances not inconsistent with the constitution and laws of the State of Texas and the Charter as shall be needed for the government, interest, welfare and good order of the city and the interest, welfare, health, morals, comfort, safety and convenience of its inhabitants. Article I, Section 3, Par. 1 also provides that the city may purchase, take, hold, acquire and convey, lease, mortgage and dispose of any property whatever within the city limits. The Charter also provides in Art. I, Sec. 3, Par. 3 that the city may cooperate and contract with the government of the State of Texas or any agency or political subdivision thereof, and with the government of the United States of America, or any agency or department thereof, to accomplish any lawful purpose (e.g., application for, acceptance of EPA Brownfield grant funds, and use of such grant funds in accordance with applicable grant rules, regulations and guidelines) for the interest, welfare, health, morals, comfort, safety and convenience of the city or its inhabitants. In that regard, the City has applied for and received from the EPA numerous Brownfield Community-Wide Assessment Grants to implement environmental site assessments in targeted areas throughout the City, including such a grant for EPA FY 2015 submitted pursuant to the provisions of City Ordinance No. 2014-12-11-1021, passed and approved on December 11, 2014. In addition, pursuant to City Ordinance No. 2016-04-07-0241, passed and approved on April 7, 2016, the City Council approved and adopted the City's Brownfield Redevelopment Policy and Guidelines (Brownfield Policy) to provide assistance to property owners with assessment, cleanup and redevelopment of sites with potential environmental contamination.

Under Texas Local Government Code (LGC) Section 380.001(a), the Texas Legislature has granted municipalities the authority to establish and provide for the administration of one or more programs (including the Brownfield Policy), including programs for make loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality. The City qualifies as a municipality under this statute. Under LGC Section 380.001(b), the City is authorized to administer such a program and accept contributions, gifts, or other resources (including EPA Brownfield grants) to develop and administer a program. Still further, the Texas Supreme Court has ruled that a city's making of loans to a private party to accomplish a public and municipal purpose is a legitimate use of the city's police power. See *Barrington v. Cokinos*, 161 Tex. 136, 145 (Tex. 1960).

Paul Johnson
EPA
December 3, 2019
Page 3

Based on my careful and detailed review of all of the documents and law that I reference above, it is my professional opinion that the City of San Antonio has ample authority and is fully authorized to perform the functions necessary to manage a revolving loan fund, oversee brownfield cleanup projects, and to access and secure sites in the event of an emergency or non-performance under a sub-grant or loan agreement. If you have any questions or need to contact me, please feel free to e-mail me at orlando.rodriguez@sanantonio.gov or to call my direct extension at (210) 207-2854.

Sincerely,

A handwritten signature in blue ink, appearing to read "Orlando Rodriguez", with a stylized flourish at the end.

Orlando Rodriguez
Deputy City Attorney

OR/lpg

Application for Federal Assistance SF-424

* 1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

* 2. Type of Application:

- ☒ New
☐ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

12/03/2019

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

City of San Antonio

* b. Employer/Taxpayer Identification Number (EIN/TIN):

* c. Organizational DUNS:

0664284000000

d. Address:

* Street1:

111 Soledad St. ste.500

Street2:

* City:

San Antonio

County/Parish:

Bexar

* State:

TX: Texas

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

78205-2288

e. Organizational Unit:

Department Name:

Center City Development & Ops.

Division Name:

Development

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Ms.

* First Name:

Karla

Middle Name:

Michelle

* Last Name:

Campos

Suffix:

Title:

Special Projects Manager

Organizational Affiliation:

Center City Development & Operations

* Telephone Number:

210-207-4081

Fax Number:

210-207-8151

* Email:

CCDO.Brownfields@sanantonio.gov

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Environmental Protection Agency

11. Catalog of Federal Domestic Assistance Number:

66.818

CFDA Title:

Brownfields Assessment and Cleanup Cooperative Agreements

* 12. Funding Opportunity Number:

EPA-OLEM-OBLR-19-06

* Title:

FY20 GUIDELINES FOR BROWNFIELD REVOLVING LOAN FUND GRANTS

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

City of San Antonio Brownfields Program

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="1,300,000.00"/>
* b. Applicant	<input type="text" value="200,000.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="1,500,000.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed: